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Costas Karamanlis: The final straight

By Kerin Hope

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With a general election just six months away, New Democracy, Greece's centre-right opposition party, enjoys a commanding lead in opinion polls. Yet Costas Karamanlis, the party leader, is not seen as the best candidate for prime minister.

Polls usually give Costas Simitis, the prime minister, a lead of 1 or 2 percentage points over his younger rival. The main reason, analysts say, is that the opposition leader has never held a cabinet post.

But Mr Karamanlis, 47, is a seasoned politician who lost the last election by only a narrow margin. A lawyer with a postgraduate degree in international relations from Tufts University in the US, he was first elected to parliament in 1989 from the northern city of Thessaloniki.

During six years as leader of the party founded by his late uncle and namesake, he imposed his authority on the elderly party barons who brought down his predecessor and put together a shadow cabinet of moderate pro-European conservatives. He says New Democracy's consistent lead of 7 percentage points in the polls reflects a swing away from Pasok by dissatisfied centrist voters.

"We have support from groups who used to be strongly for Pasok but haven't been doing well - such as farmers and owners of small and medium businesses," Mr Karamanlis says. He points out that in spite of high levels of EU transfers, several Greek provinces are still among the poorest in the Union. While infrastructure projects in southern Greece, such as the ring road for Athens, are close to completion, road and airport improvements in the north have suffered delays.

The Egnatia highway across northern Greece, from the Adriatic to the border with Turkey in Thrace, has been under construction for more than two decades. In spite of cash injections from EU structural funds, "completion is already three years behind schedule, and is likely to take another six or seven years," he says.

However, New Democracy's election platform bears a strong resemblance to Pasok's recently announced "convergence charter" aimed at increasing Greece's per capita income from under 70 per cent to 80 per cent of the EU average over five years.

Both parties pledge increases in health and education spending, a drive to create jobs, and cuts in corporate tax rates - though New Democracy has been less precise about the numbers. But one difference is that Mr Karamanlis is specific about the need to address corruption in the public administration.

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"Restructuring the public sector is a priority and that means tackling corruption," he says, citing a recent report by the European Central Bank that put the cost of administrative inefficiency and corrupt practices in Greece at about €10bn yearly.

Both are seen as deterrents to foreign investors, Mr Karamanlis says. A New Democracy government would cut through the bureaucracy, "for example, by reducing the number of permits required to set up a company in Greece from 16 to four".

In foreign affairs, New Democracy would continue to pursue Greek-Turkish rapprochement. To underline the message, on a recent visit to Ankara, Mr Karamanlis undertook to help the Justice and Development Party, Turkey's governing party, acquire observer status among the group of European Union conservative parties.

"We're strongly supportive of EU membership for Turkey," he says. "Greeks can only gain from a Europeanised Turkey. But we have to take practical steps to make the rapprochement real - so far we've only had atmospherics."

Even if Pasok succeeds in winning back disaffected supporters in the next few months, New Democracy will be hard to defeat. While Mr Karamanlis stresses the party "is definitely not right-wing" it would attract rightwing voters, mainly because the small nationalist parties are unlikely to contest the election.

Mr Karamanlis is aware the election will make or break his political career. His main rival, Dora Bakoyiannis, mayor of Athens and a former culture minister, is a frontrunner to become foreign minister in a Karamanlis government. But if New Democracy loses at the polls, she would be first to become a candidate for leader.

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